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Federal Communications Communication
Office of Secretary

February 5, 1997

Mr. Ronald R. Conners
Director
NANP Administration, Bellcore
6 Corporate Place, PYA-1F275
Piscataway, New Jersey 08854-4157

Dear Mr. Conners:

This letter addresses a recent request from King Salmon Communications, Inc. (King Salmon) to Bellcore, as the North American Numbering Plan Administrator (NANPA), for a Feature Group D carrier identification code (CIC) assignment. After detailed review of materials supplied by King Salmon to Bellcore and the Common Carrier Bureau (Bureau), the Bureau concluded that, under the definition of "entity" in Section 1.3 of the CIC Assignment Guidelines (INC 95-0127-006), King Salmon, for purposes of obtaining a CIC assignment, is an "entity" separate from GTE Mobilnet Incorporated (GTE Mobilnet). Bellcore proceeded with the CIC assignment. As you requested, I am explaining the reasoning underlying the Bureau's conclusion regarding application of the entity definition in the CIC guidelines to ownership structures such as King Salmon's.

Under current conservation measures, each entity is assigned no more than two CICs.²

The CIC guidelines define "entity" in Section 1.3:

CICs are assigned to access customers or industry entities. For purposes of these guidelines, an entity will be defined as follows:

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¹ <u>See</u> Letters from David L. Nace and B. Lynn F. Ratnavale, on behalf of King Salmon Communications, Inc. to Regina Keeney, Chief, Common Carrier Bureau, Federal Communications Commission, dated December 23, 1996, and to John B. Muleta, Chief, Enforcement Division, Common Carrier Bureau, Federal Communications Commission, dated December 20, 1996.

² <u>See</u> Letters from Ms. Kathleen M.H. Wallman, Chief, Common Carrier Bureau, Federal Communications Commission, to Mr. Ron Conners, Director of NANP Administration dated March 17, 1995, September 26, 1995, and October 23, 1995.

An entity is defined as a firm or group of firms under common ownership or control.

Franchise operators are those individuals, groups, or firms granted the right or license to market a company's goods or services in a particular area. As there is commonality of economic interest in marketing conditions normally imposed on a franchise operator by the franchiser, these industry guidelines treat the franchiser as the relevant entity and not each individual franchise operator. The franchiser is eligible for CICs assigned to an entity up to the maximum number as determined by these guidelines. The franchise operators operating under the common franchise may each use the CICs under the guidance of the franchiser. On the assumption that franchise operators are operating in different territories, as may be dictated by the franchiser, no technical limitation on access service exists due to this CIC limit.

The information provided by King Salmon indicated the following ownership structure:

Bristol Bay Cooperative (local exchange carrier)

King Salmon Corporation--wholly-owned subsidiary of Bristol Bay Cooperative (has no CICs)

Aleutian Telecom, Inc. - - - Corporation--wholly-owned subsidiary of Bristol Bay Cooperative (has no CICs)

Aleutian Telecom, Inc. - - - - - - - - - - - - - - - GTE Mobilnet Incorporated Corporation--wholly-owned - (has 5 CICs)

Bristol Bay Cellular Partnership General Partnership Agreement (50 Aleutian, 50 GTE) (has no CICs)

Bellcore denied King Salmon's request for a Feature Group D CIC assignment and denied King Salmon's request to reconsider the denial. Bellcore found that GTE Mobilnet's fifty percent ownership of Bristol Bay Cellular Partnership made GTE Mobilnet and King Salmon part of the same entity. Bellcore concluded that King Salmon could not obtain a CIC, given that GTE Mobilnet already has five CICs.

It is the Bureau's view that the CIC applicant, King Salmon, is not the same entity as GTE Mobilnet, contrary to Bellcore's original determination. From the above chart, absent any additional and contradictory facts, it appears that GTE Mobilnet does not have any legal ownership or control over Aleutian Telecom, Inc., King Salmon or the Bristol Bay Cooperative. General partnership agreements typically do not give the two contracting parties ownership interests in each other. Rather, such agreements make the entity created by that contract (here Bristol Bay Cellular Partnership) subject to ownership by and control of the two contracting parties. Because the ownership structure here indicates that GTE

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Mobilnet, a CIC assignee, has no ownership interest in King Salmon and there is no evidence of GTE Mobilnet control over King Salmon, King Salmon appears to be a separate entity and thus eligible for a CIC assignment.

Please let me know if the Bureau can be of further assistance.

Sincerely,

Regina M. Keeney
Regina M. Keeney

Chief, Common Carrier Bureau